

CLARK HILL PLC
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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:)	Chapter 11
)	Case No. 09-50026 (REG)
GENERAL MOTORS CORP, <i>et al.</i> ,)	(Jointly Administered)
)	
Debtors.)	

**LIMITED OBJECTION OF EQ – THE ENVIRONMENTAL QUALITY COMPANY TO
NOTICE OF (I) DEBTORS’ INTENT TO ASSUME AND ASSIGN CERTAIN
EXECUTORY CONTRACTS, UNEXPIRED LEASES OF PERSONAL PROPERTY,
AND UNEXPIRED LEASES OF NONRESIDENTIAL REAL PROPERTY
AND (II) CURE AMOUNTS RELATED THERETO**

EQ – The Environmental Quality Company (“EQ”) submits this limited objection (the
“**Objection**”) and respectfully states as follows:

1. The above-captioned Debtors (collectively, as applicable, the “**Debtors**”) served EQ with a *Notice of (I) Debtors’ Intent to Assume and Assign Certain Executory Contracts, Unexpired Leases of Personal Property and Unexpired Leases of Nonresidential Real Property and (II) Cure Amounts Related Thereto* (the “**Cure Notice**”) dated June 5, 2009 in which the Debtors express their intention to assume and assign to Vehicle Acquisition Holdings LLC (the “**Purchaser**”) certain contracts (the “**Assumable Executory Contracts**”) between EQ and the Debtors.

2. Section 365(b)(1)(A) of the Bankruptcy Code provides that the trustee may not assume an executory contract unless the trustee “cures, or provides adequate assurance that the trustee will promptly cure” any default under the contract. 11 U.S.C. § 365(b)(1)(A). According to the United States Court of Appeals for the Second Circuit, “[i]f the debtor is in default on the contract, it will not be allowed to assume the contract unless, at the time of the assumption it, *inter alia*, (a) cures, or provides adequate assurance that it will promptly cure, the default, and (b) provides adequate assurance of its future performance of its obligations under the contract. . . . Congress's intent in imposing these conditions on the ability of the debtor to assume the contract was “to insure that the contracting parties receive the full benefit of their bargain if they are forced to continue performance.” *In re Ionosphere Clubs, Inc.*, 85 F.3d 992, 999 (2nd Cir. 1996) (*internal citations omitted*).

3. On the Contract Website¹, the Debtors identify the Assumable Executory Contracts and assert \$549,846.85 as the corresponding cure amount (the “**Cure Amount**”) that the Debtors believe is sufficient to cure all prepetition defaults under the Assumable Executory Contracts as of June 1, 2009.

4. EQ does not object, *per se*, to assumption and assignment of the Assumable Executory Contracts to Purchaser.

5. EQ does object, however, to the Cure Notice to the extent that the proposed Cure Amount is incorrect and does not reflect all defaults under the Assumable Executory Contracts.

6. Specifically, with respect to the Assumable Executory Contracts, there is a prepetition balance owed to EQ in an amount that is not less than \$804,300.64. *See Exhibit A*

¹ Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Cure Notice.

attached hereto, Reconciliations of Cure Letter. EQ will supplement this Objection with additional supporting documentation upon the Debtors' request.

7. EQ also objects to the Cure Notice insofar as any postpetition performance by EQ of the Assumable Executory Contracts may give rise to additional accounts receivable that, as of the prospective time of assumption and assignment, may be due or past-due and properly included in the Cure Amount.

8. Notwithstanding the foregoing, EQ further reserves its rights, in the event that the Assumable Executory Contracts are not assumed, to assert any claims for damages, which claims may include all amounts allowable under applicable law.


9. EQ further objects to the adequacy and the accuracy of the Cure Notice insofar as there may be other contracts with EQ that may or will be assumed and assigned but which have not been included in the Cure Notice.

10. EQ reserves the right to amend or supplement this Objection as additional facts are learned.

Dated: June 12, 2009

Respectfully submitted,

CLARK HILL PLC

/s/ Robert D. Gordon 
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EXHIBIT A

GM Aging as of 6/10/09
Reconciliation of Cure Amounts

Description	Amount Due	
Cure Amount on Contract Website	\$	549,846.85
Discrepancy with Contract Website as to Amount of Invoice 40014683 (see attached)	\$	(825.20)
Unbilled Work Performed Prepetition, Estimated Amounts (see attached calculation)	\$	60,679.64
Amounts Due for Prepetition Work, Not Included in Cure Notice (see attached)	\$	<u>194,599.35</u>
Total Cure Amount	\$	804,300.64

GM Bankruptcy Aging
Reconciliation of Cure amount and other balances
Cure Listing detail

Customer	Customer Name	Doc Ctrl Num	Aging Date	Apply To Num	Total	Contract ID	\$
000762	GMC POWERTRAIN WARREN	40121992011409	04/23/2009	40121992011409	14,859.63	GMS32926	14,859.63
000762	GMC POWERTRAIN WARREN	40121994011409	04/23/2009	40121994011409	12,619.10	GMS32926	12,619.10
000762	GMC POWERTRAIN WARREN	40124867011409	04/30/2009	40124867011409	152.00	GMS33502	152.00
000762	GMC POWERTRAIN WARREN	40127899011409	05/19/2009	40127899011409	1,026.63	GMS32926	1,026.63
000762	GMC POWERTRAIN WARREN	40128840011409	05/21/2009	40128840011409	1,428.50	GMS32926	1,428.50
002890	GM BOC LAKE ORION	40117155011409	03/31/2009	40117155011409	116,967.42	GMS32929	116,967.42
002890	GM BOC LAKE ORION	40122629011409	04/27/2009	40122629011409	99,037.76	GMS32929	99,037.76
002890	GM BOC LAKE ORION	40126606011409	05/13/2009	40126606011409	20,000.00	GMS32999	20,000.00
002890	GM BOC LAKE ORION	40129874011409	05/28/2009	40129874011409	50,705.00	GMS32929	50,705.00
002890	GM BOC LAKE ORION	40129875011409	05/28/2009	40129875011409	18,835.00	GMS32929	18,835.00
004358	GM POWERTRAIN TOLEDO	40119802011409	04/10/2009	40119802011409	8,281.92	TTS31926	8,281.92
004358	GM POWERTRAIN TOLEDO	40119802021409	04/10/2009	40119802021409	-2,531.30	TTS31926	-2,531.30
004358	GM POWERTRAIN TOLEDO	40126086011409	05/08/2009	40126086011409	1,499.24	TTS31926	1,499.24
004834	GM POWERTRAIN-YPSILANTI DIVISION	40117502011409	03/31/2009	40117502011409	30,264.00	GMS32942	30,264.00
004834	GM POWERTRAIN-YPSILANTI DIVISION	40118232011409	04/03/2009	40118232011409	30,264.00	GMS32942	30,264.00
004834	GM POWERTRAIN-YPSILANTI DIVISION	40118233011409	04/03/2009	40118233011409	25,000.00	HWS65012	25,000.00
004834	GM POWERTRAIN-YPSILANTI DIVISION	40121809011409	04/22/2009	40121809011409	10,220.65	GMS32942	10,220.65
004834	GM POWERTRAIN-YPSILANTI DIVISION	40123320011409	04/30/2009	40123320011409	2,027.98	GMS30486	2,027.98
004835	GM POWERTRAIN-YPSILANTI DIVISION	40129878011409	05/28/2009	40129878011409	9,641.97	GMS32942	9,641.97
004835	GM POWERTRAIN-LIVONIA DIVISION	40120587011409	04/16/2009	40120587011409	6,954.17	GMS32948	6,954.17
004835	GM POWERTRAIN-LIVONIA DIVISION	40124866011409	04/30/2009	40124866011409	10,317.98	GMS32948	10,317.98
004836	GM POWERTRAIN ROMULUS DIVISION	40117356011409	03/31/2009	40117356011409	3,408.99	RMS30658	3,408.99
004836	GM POWERTRAIN ROMULUS DIVISION	40118231011409	04/03/2009	40118231011409	32,337.34	GMS32945	32,337.34
004836	GM POWERTRAIN ROMULUS DIVISION	40121374011409	04/21/2009	40121374011409	2,005.00	GMS33314	2,005.00
004836	GM POWERTRAIN ROMULUS DIVISION	40121980011409	04/23/2009	40121980011409	35,717.11	GMS32945	35,717.11
004836	GM POWERTRAIN ROMULUS DIVISION	40124865011409	04/30/2009	40124865011409	803.96	GMS33975	803.96
004836	GM POWERTRAIN ROMULUS DIVISION	40126085011409	05/08/2009	40126085011409	260.00	GMS33025	260.00
004836	GM POWERTRAIN ROMULUS DIVISION	40128607011409	05/20/2009	40128607011409	1,690.00	RMS31347	1,690.00
004836	GM POWERTRAIN ROMULUS DIVISION	40129877011409	05/28/2009	40129877011409	5,227.60	RMS31347	5,227.60

549,021.65	549,021.65
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Per Cure letter

549,846.85

Difference

825.20

Relates to invoice 40014683
Per EQ System this related to
a Johnson Control invoice

Unbilled Work Performed Prepetition
Estimated Amounts

	Estimated Amounts Due	
Willow Variable	\$	8,378.11
Orion Fixed	\$	36,138.22
Romulus Variable	\$	2,229.44
Warren Variable	\$	1,579.37
Open Work Orders	\$	12,354.50
Total Unbilled Work (Estimate)	\$	60,679.64

Balances have been estimated.

Final data necessary for billing amounts owed by GM are unavailable as of 6/11/09.

GM Bankruptcy Aging
Reconciliation of Cure amount and other balances
Invoices to be added to Cure Listing

Customer	Customer Name	Doc Ctrl Num	Aging Date	Apply To Num	Total	Contract ID	Why	\$
000700	GM-BOC ORION PLANT	40084924011400	11/10/2008	40084924011400	3,559.39	GMS28966	Contract ID listed on Vendor 022528553	3,559.39
000700	GM-BOC ORION PLANT	40084924012100	11/10/2008	40084924012100	185.00	GMS28966	Contract ID listed on Vendor 022528553	185.00
000700	GM-BOC ORION PLANT	40085129012100	11/11/2008	40085129012100	702.24	GMS28966	Contract ID listed on Vendor 022528553	702.24
000762	GMC POWERTRAIN WARREN	40132918011409	06/08/2009	40132918011409	13,645.73	GMS32926	Contract ID listed on Vendor 022528553	13,645.73
002890	GM Lake Orion	40133657011409	06/10/2009	40133657011409	2,920.92	GMS32929	Contract ID listed on Vendor 022528553	2,920.92
004358	GM POWERTRAIN TOLEDO	40114822011409	03/23/2009	40114822011409	2,400.95	TTS31926	Contract ID listed on Vendor 022528553	2,400.95
004358	GM POWERTRAIN TOLEDO	40114822021409	03/23/2009	40114822021409	-375.00	TTS31926	Contract ID listed on Vendor 022528553	-375.00
004358	GM POWERTRAIN TOLEDO	40131922011409	05/31/2009	40131922011409	375.00	WFS06894	Contract ID listed on Vendor 022528553	375.00
004358	GM POWERTRAIN TOLEDO	40127515011409	05/15/2009	40127515011409	2,531.30	WFS06894	Contract ID listed on Vendor 022528553	2,531.30
004358	GM- Toledo	40133658011409	06/10/2009	40133658011409	1,888.50	TTS31926	Contract ID listed on Vendor 022528553	1,888.50
004358	GM- Toledo	40133659011409	06/10/2009	40133659011409	210.40	WFS06894	Contract ID listed on Vendor 022528553	210.40
004834	GM POWERTRAIN-YPSILANTI	40132917011409	06/08/2009	40132917011409	25,000.00	HWSS65012	Contract ID listed on Vendor 022528553	25,000.00
004834	GM POWERTRAIN-YPSILANTI	40133082011409	06/08/2009	40133082011409	30,264.00	GMS32942	Contract ID listed on Vendor 022528553	30,264.00
004835	GM POWERTRAIN-LIVONIA DIVISION	40133081011409	06/08/2009	40133081011409	6,524.83	GMS32948	Contract ID listed on Vendor 022528553	6,524.83
004836	GM POWERTRAIN ROMULUS	40130704011400	05/31/2009	40130704011400	834.45	GMS33975	Contract ID listed on Vendor 022528553	834.45
004836	GM POWERTRAIN ROMULUS	40124864011409	04/30/2009	40124864011409	2,715.41	GMS32945	Contract ID listed on Vendor 022528553	2,715.41
004836	GM POWERTRAIN ROMULUS	40127584011409	05/18/2009	40127584011409	31,750.00	GMS33975	Contract ID listed on Vendor 022528553	31,750.00
004836	GM POWERTRAIN ROMULUS	40133080011409	06/08/2009	40133080011409	32,337.34	GMS32945	Contract ID listed on Vendor 022528553	32,337.34
011423	GM ENVIRONMENTAL SRV.CLOSED	40101650011406	01/21/2009	40101650011406	6,985.00	GMS30909	Contract ID listed on Vendor 036516797	6,985.00
011423	GM ENVIRONMENTAL SRV.CLOSED	40127006011410	05/14/2009	40127006011410	18,954.56	GMS33224	Contract ID listed on Vendor 036516797	18,954.56
011423	GM ENVIRONMENTAL SRV.CLOSED	40127007011410	05/14/2009	40127007011410	11,189.33	GMS33258	Contract ID listed on Vendor 036516797	11,189.33
					194,599.35			194,599.35